

DRAFT DIRECTIVE TRANSMITTAL
WORKFORCE INVESTMENT ACT

Number: WIADD-121

Date: June 12, 2006

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: 2006 70 PERCENT LLSIL AND POVERTY GUIDELINES

☒ **IMMEDIATE ACTION**

Bring this draft to the attention of the appropriate staff.

☒ **E-MAIL COPY TRANSMITTED**

Number of pages (including coversheet): 6

If there are any problems with this transmittal, please call the Pagemaster at 916/654-8008.

SUBJECT MATTER HIGHLIGHTS:

Please review and comment on the attached draft directive.

This draft directive will supersede WIA Directive WIAD04-24, dated June 17, 2005.
The revisions to this directive are viewed as **highlighted text**.

COMMENTS ARE DUE BY:

7/13/06

Comments can be submitted through one of the following ways:

- 1) **Fax** — WID, Attention: Sandy Iwatsuru at 916/654-9586
- 2) **E-Mail** — siwatsur@edd.ca.gov (Include "draft comments" in the subject line)
- 3) **Mail** — WID / P.O. Box 826880 / MIC 69 / Sacramento, CA 94280-0001

All comments received by the end of the comment period will be considered before the final directive is issued. However, we will not be able to individually respond to comments. **Comments received after the specified due date will not be considered.**

If you have any questions, contact your WID Regional Advisor at (916) 654-7799.

DRAFT DIRECTIVE

WORKFORCE INVESTMENT ACT

Number:

Date:

69:141:jw:10126

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: 2006 70 PERCENT LLSIL AND POVERTY GUIDELINES

EXECUTIVE SUMMARY:

Purpose:

This directive issues the 2006 70 Percent Lower Living Standard Income Level (LLSIL) published by the Secretary of Labor in the Federal Register on June 1, 2006, and the 2006 poverty guidelines published by the federal Department of Health and Human Services (HHS) January 24, 2006.

Scope:

The LLSIL and poverty guidelines are used to establish low-income status for Workforce Investment Act (WIA) Title I programs. Local Workforce Investment Boards (LWIB) need the LLSIL to determine eligibility for youth, eligibility for employed adults for certain services, defining self-sufficiency, and for the Work Opportunity Tax Credit. The LWIBs should consult WIA regulations and preamble for more specific guidance.

Effective Date:

The 2006 LLSIL became effective the date of publication in the Federal Register, June 1, 2006. The 2006 poverty guidelines were effective on the date of publication in the Federal Register, January 24, 2006.

REFERENCES:

- WIA Sections 101(24), 127(b)(2)(C), 134(d)(3)(A)(ii), and 134(d)(4)(E)
- Federal Register, Volume 71, Number 105, WIA; LLSIL (June 1, 2006)
- Federal Register, Volume 71, Number 15, Annual Update of the HHS Poverty Guidelines (January 24, 2006)

STATE-IMPOSED REQUIREMENTS:

This directive contains one State-imposed requirement, which is in ***bold italic*** print.

FILING INSTRUCTIONS:

This directive supersedes WIA Directive WIAD04-24, dated June 17, 2005. Retain this directive until further notice.

BACKGROUND:

The WIA Section 101(24) provides for the use of one of two sets of data to establish whether an individual is a low-income individual. The measure used is the highest of either 70 percent of the LLSIL, determined by the Secretary of Labor, or the poverty guidelines, published by HHS. The WIA requires annual revisions to both sets of data.

All Local Workforce Investment Areas (LWIA) use the same poverty guidelines. However, the LLSIL identifies maximum qualifying income levels for residents in either of two broad geographic designations: metropolitan and nonmetropolitan areas. Metropolitan levels apply to residents living within Metropolitan Statistical Areas (MSA) as defined by the Office of Management and Budget. Nonmetropolitan levels apply to places with populations under 50,000. In addition to the broad metropolitan and nonmetropolitan areas, the Department of Labor identifies three MSAs in California that have unique LLSILs: the San Diego MSA, the Los Angeles/Riverside/Orange County MSA, and the San Francisco/Oakland/San Jose MSA.

POLICY AND PROCEDURES:

1. Select the appropriate table for use by your LWIA from the five tables on the attachment. ***(In those instances where a LWIA encompasses both metropolitan and nonmetropolitan areas, the State has designated the higher of the LLSIL figures for use within the entire LWIA.)***
2. Use the higher of either the LLSIL or the poverty guidelines, for the appropriate family size, to determine low-income status. A comparison of the applicant's actual family income during the six-month income determination period with the six-month figures on the charts enables the reviewer to immediately determine income status.
3. The LWIBs are required to set the criteria for determining whether employment leads to self-sufficiency. At a minimum, such criteria must provide that self-sufficiency means employment that pays at least 100 percent of the LLSIL established for a LWIA.

ACTION:

Notify all affected staff of the changes to the LLSIL and poverty guidelines in this directive.

INQUIRIES:

Please direct inquiries about this directive to your assigned [Regional Advisor](#) at (916) 654-7799 or Georganne Pintar Baldwin, Local Policy Guidance Unit Manager, at (916) 654-7611.

BOB HERMSMEIER
Chief
Workforce Investment Division

Attachment

2006 70 PERCENT LOWER LIVING STANDARD INCOME LEVEL (LLSIL) AND POVERTY GUIDELINES

The LLSIL and poverty guidelines are used to establish low-income status and the minimum level for establishing self-sufficiency criteria at the local level. The LWIBs need the LLSIL to determine eligibility for youth, eligibility for employed adult/dislocated workers for certain services, self-sufficiency, and for the Work Opportunity Tax Credit. The LWIBs should consult the WIA and its regulations and preamble for more specific guidance.

Tables 1 through 5 show the 70 percent LLSIL and the poverty guidelines for western metropolitan and nonmetropolitan areas, and for three specific Metropolitan Statistical Areas in California. In addition, each LLSIL table includes the 100 percent LLSIL that establishes the Department of Labor's minimum self-sufficiency levels. Each table specifies which areas encompass which LWIA. For a family of one, in all tables, the poverty guidelines exceed the 70 percent LLSIL and, therefore, should be used to establish the low-income status. For all other family sizes, the LLSILs exceed the poverty guidelines. The last column in each table shows the amount to be added to the figure for a family of six for each additional family member.

Since the income received during the six-month period immediately prior to the individual's application for WIA funded services is used for income determination, each chart below shows the six-month, as well as the annual, figures for each family size. A comparison of the applicant's actual family income during the six-month income determination period with the six-month figures on the charts enables the reviewer to immediately determine a family's income.

Effective Dates:

LLSIL:

June 1, 2006

Poverty Guidelines:

January 24, 2006

Table 1—San Diego Metropolitan Statistical Area							
LWIAs	San Diego						
Family Size							
	1	2	3	4	5	6	Each Add'l add
70% LLSIL							
Annual	\$ 9,790	\$ 16,040	\$ 22,010	\$ 27,170	\$ 32,070	\$ 37,500	\$ 5,430
6 Months	\$ 4,895	\$ 8,020	\$ 11,005	\$ 13,585	\$ 16,035	\$ 18,750	\$ 2,715
100%	\$ 13,980	\$ 22,900	\$ 31,440	\$ 38,810	\$ 45,800	\$ 53,560	\$ 7,760
Poverty Guidelines							
Annual	\$ 9,800	\$ 13,200	\$ 16,600	\$ 20,000	\$ 23,400	\$ 26,800	\$ 3,400
6 Months	\$ 4,900	\$ 6,600	\$ 8,300	\$ 10,000	\$ 11,700	\$ 13,400	\$ 1,700

Table 2—Los Angeles/Riverside/Orange County Metropolitan Statistical Area

LWIAs	Anaheim	Los Angeles County	San Bernardino County				
	Carson/Lomita/Torrance	Orange County	SELACO				
	Foothill	Riverside County	South Bay				
	Long Beach	Santa Ana	Ventura				
	Los Angeles City	San Bernardino City	Verdugo				
Family Size							
	1	2	3	4	5	6	Each Add'l add
70% LLSIL							
Annual	\$ 9,070	\$ 14,870	\$ 20,410	\$ 25,190	\$ 29,730	\$ 34,770	\$ 5,040
6 Months	\$ 4,535	\$ 7,435	\$ 10,205	\$ 12,595	\$ 14,865	\$ 17,385	\$ 2,520
100%	\$ 12,960	\$ 21,240	\$ 29,160	\$ 35,990	\$ 42,470	\$ 49,670	\$ 7,200
Poverty Guidelines							
Annual	\$ 9,800	\$ 13,200	\$ 16,600	\$ 20,000	\$ 23,400	\$ 26,800	\$ 3,400
6 Months	\$ 4,900	\$ 6,600	\$ 8,300	\$ 10,000	\$ 11,700	\$ 13,400	\$ 1,700

Table 3—San Francisco/Oakland/San Jose Metropolitan Statistical Area

LWIAs	Alameda		Oakland		Santa Cruz		
	Contra Costa		Richmond		Solano		
	Marin		San Francisco		Sonoma		
	Napa		San Jose				
	NOVA		San Mateo				
Family Size							
	1	2	3	4	5	6	Each Add'l add
70% LLSIL							
Annual	\$ 9,150	\$ 14,990	\$ 20,570	\$ 25,390	\$ 29,970	\$ 35,040	\$ 5,070
6 Months	\$ 4,575	\$ 7,495	\$ 10,285	\$ 12,695	\$ 14,985	\$ 17,520	\$ 2,535
100%	\$ 13,070	\$ 21,410	\$ 29,390	\$ 36,280	\$ 42,820	\$ 50,070	\$ 7,250
Poverty Guidelines							
Annual	\$ 9,800	\$ 13,200	\$ 16,600	\$ 20,000	\$ 23,400	\$ 26,800	\$ 3,400
6 Months	\$ 4,900	\$ 6,600	\$ 8,300	\$ 10,000	\$ 11,700	\$ 13,400	\$ 1,700

Table 4— Metropolitan Areas

LWIAs	Fresno		NoRTEC			Stanislaus	
	Golden Sierra		North Central			Tulare	
	Kern/Inyo/Mono		Sacramento			Yolo	
	Merced		San Joaquin				
	Monterey		Santa Barbara				
Family Size							
	1	2	3	4	5	6	Each Add'l add
70% LLSIL							
Annual	\$ 8,610	\$ 14,110	\$ 19,370	\$ 23,910	\$ 28,220	\$ 33,000	\$ 4,780
6 Months	\$ 4,305	\$ 7,055	\$ 9,685	\$ 11,955	\$ 14,110	\$ 16,500	\$ 2,390
100%	\$ 12,300	\$ 20,160	\$ 27,670	\$ 34,160	\$ 40,310	\$ 47,150	\$ 6,840
Poverty Guidelines							
Annual	\$ 9,800	\$ 13,200	\$ 16,600	\$ 20,000	\$ 23,400	\$ 26,800	\$ 3,400
6 Months	\$ 4,900	\$ 6,600	\$ 8,300	\$ 10,000	\$ 11,700	\$ 13,400	\$ 1,700

Table 5—Nonmetropolitan Areas

LWIAs	Humboldt		Mother Lode				
	Imperial		San Benito				
	Kings		San Luis Obispo				
	Madera						
Mendocino							
Family Size							
	1	2	3	4	5	6	Each Add'l add
70% LLSIL							
Annual	\$ 8,290	\$ 13,590	\$ 18,650	\$ 23,020	\$ 27,170	\$ 31,770	\$ 4,600
6 Months	\$ 4,145	\$ 6,795	\$ 9,325	\$ 11,510	\$ 13,585	\$ 15,885	\$ 2,300
100%	\$ 11,850	\$ 19,410	\$ 26,650	\$ 32,890	\$ 38,820	\$ 45,390	\$ 6,570
Poverty Guidelines							
Annual	\$ 9,800	\$ 13,200	\$ 16,600	\$ 20,000	\$ 23,400	\$ 26,800	\$ 3,400
6 Months	\$ 4,900	\$ 6,600	\$ 8,300	\$ 10,000	\$ 11,700	\$ 13,400	\$ 1,700